NEWS RELEASE

U.S. Forest Service Pacific Southwest Region



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California awarded more than \$500,000 for renewable energy projects

VALLEJO, Calif., June 30, 2011 – The U.S. Forest Service in California recently received almost 20 percent of \$3 million in grants nationally to small business and community groups. The grants develop wood-to-energy projects that require engineering services and will help expand regional economies and create new jobs.

The Pacific Southwest Region of the U.S. Forest Service received a total of \$550,000 for three grants across the state. They include: \$250,000 for a grant with Kiara Solar; \$250,000 to Trinity River Lumber and \$50,000 for Placer County. The three grants will create or retain more than 180 jobs in California.

"I am pleased to support the development of wood-to-energy projects to support forest restoration efforts and the rural communities in California," said Randy Moore, Pacific Southwest Regional Forester.

The grant will help refurbish Kiara Solar's wood to renewable energy biomass plant in Anderson, Calif. The plant will provide steam to Siskiyou Forest Products and electricity to PG&E as a cogeneration facility. "This grant is going to be very valuable," said Lew Rubin, Senior Analyst for Kiara Solar. "It is critical to remodeling this renewable energy operation." The grant will create at least 30 permanent jobs, providing energy to more than 6,000 homes annually.

Trinity River Lumber was also excited about the grant. "This allows us the opportunity to further our design of building a new boiler facility for the use of woody biomass, saw dust such as bark and chips and will enable us to fire up our dry kiln in the future and dry a portion of our production using green energy," said Dee Sanders, General Manager for Trinity River Lumber.

Down the road, Trinity River Lumber plans to enlarge the operation and run a cogeneration facility also. This grant will result in the creation of at least 20 jobs, with more than 120 jobs being retained and energy to more than 1,000 homes annually.

Finally, Placer County will also be able to further the designs of a cogeneration facility stimulating a total investment of \$45 million dollars for a 30-40 year project. "This is a nice contribution towards the design of a biomass facility in the Lake Tahoe region," said Brett Storey, Biomass Program Manager for Placer County/Lake Tahoe region. "We feel very fortunate. Randy (Moore) was instrumental in putting this together. Placer County has a great relationship with the U.S. Forest Service and we expect to continue that into the future. We are trying to reduce our air pollution and if we can afford to pull biomass off forest projects it is a win-win as it reduces open burning." The project will create at least 12 jobs and provide electricity to more than 1,000 homes in the Tahoe region annually.

For more on Placer County's Forest Resource Sustainability project which received the 2010 Environmental Protection Agency Clean Air Excellence Award see: http://www.fs.fed.us/r5/spotlight/2011/epaaward.php